

FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
VALLEY INVESTMENT INITIATIVE FOR EXISTING AND EXPANDING CUSTOMERS (VIIE)
TENNESSEE VALLEY REGION

Proposed Action and Need

Economic development is a core component of the Tennessee Valley Authority (TVA) mission and current strategic plan. When performed in conjunction with energy efficiency, demand reduction, and rates with proper price signals, economic development is beneficial to both Tennessee Valley communities and the TVA power system. TVA has prepared an environmental assessment (EA) evaluating a targeted economic development program, the Valley Investment Initiative for Existing and Expanding Customers (VIIE), the purpose of which is designed to recognize and reward continued capital investment in the TVA service area, employment of workers with above-average wages, energy-efficient operations, and load characteristics that complement the TVA system, including avoidance of heavy power use during periods of peak load.

Alternatives

TVA considered two alternatives. Under the No Action Alternative, the current rate products would continue to be phased out. No new incentive programs would be offered. The Action Alternative would implement the VIIE Program for existing and expanding customers, as well as continuing the phase out of current rate products, to encourage retention and growth of higher wage jobs, reinvestment, sustainable business operation practices, noncoincident power use, and energy efficiency.

Impacts Assessment


In general, the VIIE Program should benefit the regional economy by promoting higher-wage jobs, job retention, and reinvestment. However, given the potential size of the program relative to the regional economy, the potential for noticeable environmental effects from such economic benefits would be low. The program could affect, at most, the energy use behavior of a portion of customers who presently constitute only 1.4 percent of TVA's total power load. The energy-efficiency component would tend to slow the regional demand in growth for base load power; whereas, the coincident load factor portion would tend to encourage participating customers to shift their demand for electricity from peak to off-peak times. The energy-efficiency components of the VIIE would tend to offset effects from load shifting. However, since energy use could be affected, there is potential for minor, insignificant impacts to air quality. This minor increase in fossil fuels emissions would be well within the normal operating variability exhibited for the TVA system on a year-to-year basis.

Mitigation Measures and Commitments

Neither mitigation measures nor commitments were identified as necessary for implementation of this program.

Conclusion and Findings

Based on the analysis in the attached EA, we conclude that implementation of the proposed Action Alternative would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required.



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Date Signed